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ATTORNEY GENERAL DARRELL MCGRAW SUES WORLD'S LARGEST COMPUTER CHIP MANUFACTURERS

Attorney General Darrell McGraw filed a lawsuit today on behalf of West Virginia against the world's largest manufacturers of computer chips (Dynamic Random Access Memory (DRAM)) seeking monetary relief for consumers and state agencies that paid more for computers because of alleged price-fixing. DRAM is a widely-used computer memory chip that is found in personal computers, servers and other electronic devices.

"For years, West Virginia consumers and state agencies paid more for computers because of a price-fixing conspiracy by companies that make memory chips, which is a crucial component of many high-tech products," Attorney General McGraw said. "Our lawsuit seeks to prohibit manufacturers from manipulating prices in the future and to recoup some of the public's losses."

West Virginia and 33 other states filed the lawsuit in United States District Court in San Francisco, seeking damages, restitution, civil penalties and injunctive relief for consumers and state agencies that paid higher prices for computers from 1998 to 2002. The states' suit is the result of a coordinated, multi-state investigation that began in 2004, as well as a federal investigation.

Specifically, the Attorney General is suing Elpida Memory, Inc.; Infineon Technologies AG; Hynix Semiconductor, Inc.; Micron Technology, Inc.; Mosel Vitelic Corp.; Nanya Technology Corp.; and NEC Electronics America, Inc. and subsidiaries of these companies. The states allege the defendants violated federal and state antitrust laws by coordinating prices they charged for DRAM.

In June 2002, the U.S. Department of Justice launched a criminal investigation into what officials have called "one of the largest cartels ever discovered." Micron agreed to cooperate with investigators in exchange for amnesty from federal criminal charges. Several defendants and twelve individuals have since pleaded guilty to criminal price-fixing and collectively paid more than \$730 million in fines, including Samsung Electronics Co., Ltd., Hynix, Infineon and Elpida.

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